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For Immediate Release
January 11, 2005

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**FORMER STATE OFFICIAL
PLEADS GUILTY IN CORRUPTION CASE**

SACRAMENTO--United States Attorney McGregor W. Scott announced that N. ALLEN SAWYER, 36, of Stockton, the former Executive Director of the Governor's Office of Criminal Justice Planning ("OCJP") under former Gov. Gray Davis, pleaded guilty in U.S. District Court in Sacramento today to one count of honest services mail fraud. The charge, a felony, carries a maximum sentence of five years in prison. Pursuant to the plea agreement, SAWYER has agreed to cooperate with the Government in its prosecution of others in the case.

The case is being investigated by the Federal Bureau of Investigation, with the assistance of investigators from the San Joaquin County District Attorney's Office.

SAWYER and five other defendants, including San Joaquin County Sheriff T. BAXTER DUNN, 57, MONTE D. McFALL, 58, of Lathrop, former San Joaquin County Supervisor LYNN G. BEDFORD, 67, of Tracy, and BEDFORD's former legislative assistant, J. TYLER REVES, 35, formerly of Stockton, are charged in a wide-ranging corruption case involving allegations of attempted extortion and misuse of office relating to various development projects in San Joaquin County in 2001 and 2002, and obstruction of justice in connection with the subsequent federal investigation. Although the plea agreement resolves the charges against SAWYER, a jury trial for the remaining four defendants is scheduled to commence January 26, 2005, before U.S. District Court Judge Morrison C. England, Jr., and is expected to last several weeks.

According to Assistant United States Attorneys Benjamin B. Wagner and Patrick K. Hanly, who are prosecuting the case, defendant SAWYER in his plea of guilty admitted that during the period from February to November 2001, while he was Chief Deputy Director of the California Office of Criminal Justice Planning ("OCJP"), he participated in a scheme to deprive the citizens on California of his duty of honest services by misusing his official position for personal financial gain, violating federal conflict of interest rules, and failing to comply with state disclosure rules. Specifically, he joined with co-defendants McFALL and Sheriff DUNN to form two business entities for the purpose of engaging in profitable ventures in San Joaquin County. The two entities, called MSD Ventures, Inc. (which stood for McFall-Sawyer-Dunn), and SMTM Partners (which stood for Show-Me-The-Money), engaged in lobbying officials with

the City of Stockton, the Port of Stockton, and San Joaquin County on behalf of Sunlaw Energy Corporation, which sought to build a power plant in the county. SAWYER admitted that he attended meetings with officials in San Joaquin County during the workday, distributed his official state business card, stated or knowingly implied that he was representing the Governor, and deliberately failed to disclose that he was acting on behalf of Sunlaw because he had a personal financial arrangement with Sunlaw that would have earned him substantial fees if it had been successful in building a plant in San Joaquin County. He also participated in official OCJP actions relating to the award of funds to the San Joaquin Sheriff's Office without disclosing that he had entered into a personal business venture with the Sheriff. Finally, SAWYER admitted that he failed to disclose the existence of MSD and SMTM, or their activities, on his Statement of Economic Interests for the year 2001. SEIs are financial disclosure forms that state officials are required to file annually.

SAWYER, a former Assistant District Attorney in San Joaquin County, was formerly Chief Deputy Director, then Interim Executive Director of OCJP. He was separated from the office on November 1, 2002, after the investigation in this case became public.

In other proceedings in the case today Judge England ordered all defendants to have no contact with government witnesses prior to, or during, the trial. A further hearing for argument on pretrial motions was scheduled for 10:00 am on Tuesday, January 18, 2005.

The United States Attorney's Office noted that an indictment is only an accusation, and that DUNN, McFALL, BEDFORD and REVES are all presumed innocent until and unless proven guilty.

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